

Nancy Fydell

June 23, 2006

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing in my profession. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to continue promoting my business and product line.

I have been a self employed business owner in the work at home industry for more than 20 years. Originally, I made this career move because I was a single parent raising two small children and I wanted to keep them out of daycare and be their full time caregiver and parent. I wanted to be home with them when they woke up, got ready for school, came home from school, was ill or home on vacations. I knew the only way to accomplish this was to work for myself and work from home. My children are grown now but I have created a very financially lucrative & flexible lifestyle because I was given the opportunity over 20 years ago to work for myself in this industry. The future of my life's career is dependent on the stability of the direct selling industry.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new customers or business partners. One can get started with our product or business for as little as \$49. People buy TVs, cars, timeshares and other items that cost much more and they do not have to wait seven days. I also think this seven-day waiting period is unnecessary, because our company already has a 90% buyback policy for all products including sales kits purchased by a salesperson within the last twelve months. Also, with any consumer contracts, the 3 day cooling off period law applies, again giving me concern and pause as to why the proposed seven-day waiting period is even necessary.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless our company is found guilty. I absolutely agree that if a company has been found guilty of any unfair or unlawful business practices that it be disclosed but to name lawsuits when a company has done **nothing** wrong and were found innocent seems unfair.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I

will need to send the address of the prospective purchaser to company headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to disclose their personal information - *"If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers."* People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met, as would I.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals.

Thank you for your time in considering my comments.

Respectfully,

Nancy J. Fydell